

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2650 - HB 3014

February 2, 2010

SUMMARY OF BILL: Requires any licensing authority in the state to suspend, deny, or revoke the license of a person who has defaulted on repayment of a federal family education loan, a student loan guaranteed or administered by the Tennessee Student Assistance Corporation (TSAC), or any other state or federal education or service-conditional loan or scholarship program upon notification of default from TSAC or another guarantee agent. Requires TSAC to provide the debtor notice of suspension, denial, or revocation at least 90 days prior to action unless the debtor pays the entire debt, enters into a payment plan with the guarantor, or requests a hearing in writing within 20 days of notice. Requires the Secretary of State to take disciplinary action against any registered athlete agent or applicant for registration that has defaulted on repayment or service obligation. Requires the Tennessee Ethics Commission to take disciplinary action against any registered lobbyist or applicant for registration that has defaulted on repayment or service obligation. Requires the State Board of Education to suspend, deny, or revoke the license of a teacher who is delinquent or in default on a repayment of loan or service obligation.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$66,000

Assumptions:

- According to the TSAC, in order to provide timely notification to departments, agencies, and borrowers, an additional staff position will be necessary at a recurring increase in state expenditures of \$66,000 (\$42,000 salary + \$9,600 benefits + \$1,200 travel + \$1,000 printing + \$1,200 communications + \$5,000 rent + \$6,000 supplies).
- According to the Department of Commerce and Insurance, any cost for the additional step in approval of new applications or renewals can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/sdl